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SIR LYON PLAYFAIR, K.C.B., M.P.,

ON

INDUSTRIAL COMPETITION

AND

COMMERCIAL FREEDOM.

Being an ADDRESS delivered at the NATIONAL LIBERAL
CLUB, April 24th, 1888.

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SIR LYON PLAYFAIR, K.C.B., M.P.,

ON

INDUSTRIAL COMPETITION

AND

COMMERCIAL FREEDOM.

SIR LYON PLAYFAIR, in opening the discussion at the National Liberal Club, on the 24th of April, 1888, said:—

It would seem to require some apology that I should address the National Liberal Club on subjects relating to Free Trade, for it is like carrying coals to Newcastle. While we have been asleep in regard to this important matter, the enemy has been sowing tares in our fields. I am told by all metropolitan members, both Liberal and Conservative, that the doctrines of Fair Trade have taken deep root in their constituencies. That they have done so throughout the country we must assume, by the fact that out of 1,000 delegates of Conservative associations assembled at Oxford last autumn, only twelve voted against a resolution which, if it meant anything, was one for imposing protective duties, not only on food, but also on all foreign manufactures. Since then, Lord Salisbury has put his foot down, and for a time there may be no danger; but when the rank and file of the Conservative party differ from their leaders, we know, by past experience, that leaders are easily converted. At all events, if it be true that the heresy of Fair Trade, which is only Protection disguised in a domino, is rampant in London constituencies, you, as Liberal missionaries, should be well instructed in the gospel of Free Trade.

If the depression of trade which has existed in this country since 1874, with only a flicker of revival in special industries from 1879 to 1882, be in any way due to England's Free Trade policy, as, indeed, many persons believe it is, then you cannot be surprised that the working classes, and more especially the unemployed, should have lost faith in the principle which they adopted with enthusiasm in 1846. The depression is universal in all machine-using countries. It did not even originate in England, though in course of time it reached this great industrial country, and has remained with us ever since, as it has done with every other machine-using nation. In former periods of history, depressions in agriculture and manufactures sometimes lasted fifty years without a break, but they differed from the present depression by chiefly affecting labour rather than capital, while now labour has suffered comparatively little, though capital has been struck with severity. Listen to the plaints in former times. Richard Hakluyt, in 1584, writes:—"Yea, there be many thousandes of idle persons within the realme having no way to be set at worke . . . whereby all the prisons of the lande are daily pestered and stuffed full of them, where either they pitifully pyne away, or els at length are miserably hanged, even XXI at a clappe out of some one jayle." And Sir William Petty, a century later (1691), speaks of the general conviction among the people of England that their agriculture and manufactures are going to the dogs, because "there is no trade or employment for the people; that Ireland and the Plantations of America are a burthen to England; that Scotland is no advantage; that the French trade grows too fast upon us, and they become so rich and potent that it is only of their clemency that they do not devour us; and, finally, that the Church and State of England are in the same danger with the trade of England." You see, then, that depressions of trade are very old, though England still survives, and looks much less like going to the dogs than in Sir William Petty's time. The old depressions were local, or, at the worst, national. There was such little intercommunication of nations then, that depressions did not become like a pandemic as they do now. In our times they are synchronous in all machine-using countries, whether they have a free trade or protective fiscal policy, whether they have reposed in peace or been disturbed by war, whether they have a gold or bi-metallic currency, whether they have free or despotic governments.

Since 1873 there has been a profound transformation of commerce; and this, acting on increasing powers of production, has largely lowered prices, leaving small profits to the capitalist. It will be most convenient to consider, in the first place, the changes which have occurred in commerce. England could scarcely be called a commercial nation till about one and a half century ago. In the time of Queen Elizabeth this country began to develop its manufacturing industries, but its ideas of commerce were exceedingly crude. Commerce consists in the exchange of commodities for the reciprocal advantage of the producers in the exchanging countries. In England, at that time, there were few to exchange, for all the world did not appreciate our coarse woollen goods and fustians. The English got their luxuries by capture instead of by exchange. Among the commercial rovers of that time, Cavendish stands prominent for his sweet simplicity and earnest piety. He thanks God for protecting him in his commercial dealings. Hear his own description:—"It hath pleased Almighty God to suffer me to circumpass the whole globe of the world. . . . I navigated along the coast of Chili, Peru, and New Spain, where I made great spoils. All the villages and towns that ever I landed at I burned and spoiled. And had I not been discovered upon the coast, I had taken a great quantity of treasure." And so the pious Cavendish says, "The Lord be praised for all His mercies!" Better ideas of commerce gradually prevailed. It is only in recent times that scientific discoveries, by a more economical use of steam and the electric telegraph, have narrowed space and abridged time. The sea, which formerly was valued as separating nations, has now become the very life-blood of commerce. It is the circulating blood of the world. In the circulation of blood in animals there are small bodies called corpuscles, which sail from the heart to the furthest extremities, and, having discharged their cargoes, take up new ones and return to their original port. Their functions in the various organs are regulated by the nerves. Commerce is the circulating force of the world, and its ships go outward from and backward to the heart of the nation which, with its telegraphic wires, transmits the nervous influence that guides the sensory and voluntary motions of commerce. The changes thus produced have been so great that old merchants find their past experience is of little value to their sons. The great highway of commerce to the East had been round the Cape of Good Hope since the discovery of that route by Vasco da Gama in 1498. The opening of the Suez Canal in 1869, a few years before the present depression began, twisted commerce out of its old form, destroying at the same time the capital invested in sailing ships. The Suez Canal became a great spout through which was poured in two directions the merchandise of the two hemispheres, just as duplex telegraphy sends opposite messages through one wire at the same time. The traffic on Indian railways increased marvellously in consequence of this quick outlet, for in ten years, from 1876 to 1886, the volume of traffic trebled, while the average traffic per mile doubled. The substitution of a double voyage of sixty days for one of seven or eight months altered the whole system of commerce, rendering useless the huge warehouses for the storage of goods, and costly foreign agents to obtain supplies. The producer and the consumer, at the two ends of an electric wire, could make their arrangements within an hour. This speedy interchange of views demanded a quicker and more economical means of transit by sea and land; and scientific invention has so improved these that the whole system of markets has been altered. To a great extent national markets have been destroyed, because the world has become the one market for all nations. The increased economy of transit has necessarily lowered prices. Every ton of coal now carries thirty-two times more cargo than it did a few years since. In the best compound locomotives two ounces of coal will move a ton of cargo one mile; and half that quantity will move, in our best steamers, a ton of cargo and its proportion of the ship for two miles. After all, this is only about two-tenths of the potential power which exists in the coal. Take an instance of the effect of this on commerce. A sack of flour can be moved from Minneapolis, in the United States, down to the seaboard, 1,400 miles away, be sent by steamer to Liverpool, at a total cost for transport of less than ninepence upon the bushel of wheat. The British working man, when he buys a four pound quartern loaf made of American flour, may reflect with astonishment that it has been brought four or five thousand miles at a cost for transit of one halfpenny. It is not in economy of fuel alone, but also in the economy of labour that modern invention has produced this astonishing result. When the depression began in 1873, the number of hands required for 1,000 tons of shipping in this country was forty-seven; it is now reduced to twenty-seven. In other words, by labour-saving contrivances at sea and in the port, the same quantity of work can be done with 70 per cent. less manual labour. This explains the fact that while our mercantile marine, between 1870 and 1880, increased its foreign entrances and clearances by 22,000,000 tons, it decreased the men employed by 3,000.

The general result of these changes in distribution has been that all countries of the world have been brought into a common market to compete for the margins of profit.

The agriculture of this country was the first great industry to suffer by the changed conditions. It is still one of the few industries of a domestic character which remain in this country. The farmers rather glory in this independence and want of combination. At the same time they have to meet, in their isolation, the competition of land cultivators in other countries, who carry on their industries in enlarged combinations, and with the use of machinery of the newest character, not only for the growth, but also for the harvesting, handling, milling, and transport of the grain and other products of the farm. Without this combination and mechanical advantage, the United States could not now grow 35 per cent. more food stuffs than they did in 1870, allowing for their large increase of population. The harvesting of this grain would require 160,000 labourers in order to cut and bind the wheat, had not this labour been substituted by self-binding reaping machines. The old mills with grindstones could not have converted it into flour; but, by steel rollers and other improvements, more than three times the quantity of flour can be got with the labour of fewer men. The American millers now come into direct contact with their customers, because, instead of sending over 200 lbs. of flour in barrels or sacks, they pack it up in neat bags of 2½ lbs. or 5 lbs., to suit small purchasers. By this means they get a larger price; for while the 359 lbs. of flour got from a quarter of wheat sells at 56s., the wheat itself, from 1882 to 1886, only produced 33s. 9d. Our farmers know these facts, but they are conservative in their ideas, and prefer to see the mills shut up rather than abandon their old modes of work. It is not with the United States alone that our farmers have now to compete, for new markets have arisen in Canada, South America, India, Australia, New Zealand, Egypt, and Russia. All kinds of food are subjected to the same competition. Fresh meat, in various stages of preparation, is imported from the United States, the Argentine Republic, New Zealand, and Australia. This importation is rendered profitable, because the live stock is dealt with by large combinations of producers. The live animals are killed by thousands, their carcases properly cooled, every part of the offal converted into industrial commodities, while the fresh meat is transported in refrigerating cars to the coast, and then put into cooling chambers on board the steamers.

Mr. Tallerman has lately shown, in a useful lecture, that it would be easy to apply this system in the home markets. Oxen sent alive by railway and driven to the butcher's are stated to lose 24 lbs. in weight by three days' travel. County slaughter houses, conducted on a manufacturing system, provided with proper cooling chambers, and with appliances for the utilisation of the offal, might promote a dead meat market, which would lessen the need for foreign importation. Perhaps new county government may lead to these appliances. Unless the competition is met in this way, it is likely to increase, because the weight of meat products is less than that of grain, the same area of land producing in live stock only a sixth the weight of cereal food. Even at present the value of imported dead meat of various kinds amounts to above thirteen and a quarter millions sterling. Our farmers have recently begun to attempt combination in a small way with dairy produce. It is full time that they should do so, when butter and butter substitutes, which are really true butters made from the ox, instead of from the cow, are imported to the extent of eleven to twelve millions. Foreign cheese is imported to the extent of four to five millions sterling; poultry and eggs of the value of between three and four millions. Condensed milk, obtained by simple evaporation, comes to us from the Continent to the extent of twenty-five millions of cans. It is neither the climate, nor the soil, which stands in the way of our successful competition in food products. The soil gives nearly double the produce of grain that it does, on the average, in the United States, and the climate, though variable, is admirably adapted for a combined system of pastoral and agricultural industry. The age of domestic manufactures is past, and English agriculture has now come under the common law of production. The conditions under which its products can be manufactured by combination and machinery have been established, and are in themselves easy in application. Creameries, butter factories, and cheese factories abroad succeed because they are conducted under manufacturing organisation, and not by isolated domestic producers. The farmers in the United States who have entered into these combinations get about double for their produce that they do on the individual system of sale, and yet compete with our home producers. It is true that certain qualities of products may best be obtained in isolated farms. Thus, cheese in Somersetshire of the highest quality may fetch 80s. per cwt., when factory cheese sells for 60s.; but the great bulk of the consumers content themselves with the lower quality, just as machine lace suits most people, while Brussels hand-made lace still preserves its position among the rich. Farmers have been told by their leaders that a tax upon food is now altogether outside practical politics, so they must abandon the hope of relief through protective duties. There need not, however, be discouragement for the future of their great industry, if they would recognise the fact that they, like farmers abroad, must act in combination, and cease, for the bulk of their produce, to carry on domestic production as isolated individuals.

In prosperous times few inventions or improvements are made, while in bad times they arise quickly. Let us hope that we shall not continue to spend not much less than seventy millions annually on foreign food, when, by combination and modern machinery, much of this could be produced at home.

I now pass to the consideration of the economical application of machinery and of inventions upon manufacturing industries. The quantity and quality of products have been greatly altered, and this, coming at a time when the means of distribution became so extended and cheapened, produced a surplus of commodities beyond the immediate wants of the world, and, as a surplus determines price, lowered that for every staple commodity. As the margin of profit became less, a demand for greater economy in production arose, so that machines were invented to produce with the minimum of human labour. By these inventions a great amount of old forms of labour were displaced, and higher forms came into demand. I have given illustrations of this displacement of labour in an article in the March number of the *Contemporary Review*, to which I refer those who desire details on this subject. Sometimes the displacement of labour is enormous, as when the cotton-gin, worked by one man in its most improved form, does the work of one thousand manual labourers; or, when the bobbin-net machine is supposed to have a six thousandfold greater production than hand-labour. Those are extreme instances of replacement of hand-labour by machinery; but it would be probably below the mark to put the displacement, on an average, since 1873, from thirty to fifty per cent. of hand labour. Every invention produces social change and dislocation of labour. The application of the invention demands higher intelligence in labour, so the labourers of low intelligence go to the wall, and we are familiar with them under the name of the "unemployed." These flock to London, and find it still more difficult than in the provinces to obtain employment for their unskilled labour; so they become an incubus on the metropolis.

It is the essence of invention to displace unskilled labour, and to replace it by machinery. Ultimately the change is beneficial to humanity, for the sweat of the brow and the mere labour of the body are relieved by the intelligence of the brain. Let us clearly understand the change which is passing over industry in regard to the two kinds of labour that of quantity and that of quality. The labour of quantity is little more than brute animal force, which is continually decreasing in value as a factor of production. The labour of quality, or labour carried on and directed by skilled intelligence, is rising in value as the second factor of production. As invention advances, the steam-engine in the basement of the factory pushes aside the labour of quantity, or the brute animal force, while the men, women, and children upstairs supply the labour of quality, which requires observation and intelligence, qualities which have not yet been imparted to machinery. In a few exceptional cases, a machine may become nearly automatic, like the cotton-mule, which leaves little for intelligence, though a good deal for observation in catching and mending the broken threads. All machinery, in fact all inventions, tend to progress from complexity to simplicity. Remember Charles Lamb's story of Hoti and roast pig. The division of labour in tending a machine is apt to be condensed or simplified, and therefore the workmen require a superior and versatile intelligence to be able to adapt themselves to the changes which constantly arise in the economy of labour. The inspectors of factories, in their last report, mourn the fact that children are lessening in the factories. To me this is a subject of rejoicing, as it indicates an advance in the social condition of the people. From the beginning of the 1874 depression, children in textile factories have decreased by 34,000, but, on the other hand, the adults have increased by 65,000. The labour now requires more skill and intelligence than uneducated children can give to it.

I need scarcely tell you that this cold-blooded discussion in regard to labour of quantity and labour of quality gives little sympathy to the unemployed. Science is essentially colourless and impersonal. Since I began my addresses on the subject of the depression, I have received many letters from unemployed labourers. They tell me that their lamentable condition is due to machinery, and some of them have proposed that I should organise, and even become a president of, a European association for the destruction of machinery! They point out that the unemployed armies of Europe might be used for this purpose with economy and advantage to labour. Ah! gentlemen, do not laugh, these labourers of quantity are in this condition because they have no educated intelligence, and until they obtain it, many of our people must remain low in the scale of civilisation, for they do not possess that labour of quality which is essential to give them entrance into the new forms of production. Labour may be displaced so rapidly that the industries of a nation may actually perish. You recollect that the Moors were wonderfully intelligent labourers, skilled in science and art, and they raised Spain to be the envy of European nations. The Inquisition, in the time of Philip III., insisted that they should be expelled as heretics from Spain, and they were banished in a barbarous manner. They had been excellent cultivators of the soil, and expert artificers. On the expulsion of the Moors, the cultivation of rice, cotton, sugar, and the manufacture of cotton, wool, and silk goods rapidly dwindled. The 16,000 silk-looms of Seville fell to 300. Toledo had 40,000 workmen engaged in silk industries, and lost their labour. Burgos, the most famous town for manufactures, continued to exist only in name. The labour of quality had been displaced from Spain by the ruthless expulsion of the Moriscoes, and nothing remained but the labour of quantity. The result may be given in the words of Froude:—"The Spaniard's intellect shrivelled in his brain, and the sinews shrank in their self-bandaged limbs." This was the cause of England developing into a manufacturing nation, for our manufactures expanded as those of Spain contracted. The cotton industry had been introduced into Spain as early as the tenth century. It practically passed over to England on account of the great political crime of the seventeenth century. It has been the good fortune of this country to benefit by the political crimes against liberty committed by other nations. The expelled Flemish Protestants and the French Huguenots developed our woollen and silk industries. A feeling is growing, especially in the metropolis, against the importation of foreign labour, but we ought to watch this with jealousy, even though a committee is now engaged with its consideration in the House of Commons. In the historical cases, which I have cited, foreign countries suffered because they displaced their skilled, intelligent labour. Our late depressions have resulted from the very opposite cause, that unintelligent labour has been displaced, while skilled labour remains in employment. There are rare exceptions to this statement. Thus Bessemer's steel substituted the use of bar iron, and 39,000 skilled producers of that manufacture lost their employment; but because they were skilled, they quickly became absorbed into the new industry. More usually when industries decline in this country, as in the case of the silk trade, the reason is that the manufacturers have not kept up the labour of quality in competition with foreign countries. Thus when Coventry, Macclesfield, and Spitalfields were declining in silk manufactures, Basle, in Switzerland, and Crefeld, in Germany, were rising, because they established complete systems of technical education for their artisans. When we have enterprising manufacturers like Lister of Bradford, with technical schools such as they have in that town, the silk industry maintains its ground.

The effect of inventions upon the rate of wages of labourers is decidedly to raise the wages of those who are able to carry on the industry under the new conditions. Machine hands are better paid; manual labourers are worse paid. Mr. Lakeman's recent report on female labour in London shows this in a striking way, though it is true universally. The factory workers are both better paid, better cared for, and more moral than manual workers carrying on the same trade without machinery. Wages depend a good deal upon the social condition and wants of a community. Machine-producing countries give high wages to their workmen, but the products made represent in exchange much more labour than in countries which depend on manual labour. Thus, one day's wage of an English workman will buy as much coffee in Java as could be produced by forty days' labour; as much tea in China as cost seventy days' labour; as much sugar in Cuba, or hemp in Manilla, as is equivalent to seventeen days' labour; and as much wool in South America as equals seven days' labour. High wages in machine factories mean a low cost of production, and low wages in hand industries mean high cost of production. Take as an illustration the manufacture of watches by machinery. A skilled girl can earn 36s. or more weekly, by putting the wheel into watch cases. She can insert 1,600 daily (having to handle four pieces in each operation—the wheel, two washers, and the pinion wire). The whole watch consists of fifty-eight pieces, requiring 370 single operations. All the workers have high wages, but the watch is sold at only ten shillings. In England the wages of working men are higher and their hours of work less than those of similar industries on the Continent; though at the same time they produce cheaper things. If we compare the wages of our skilled mechanics with those of the United States which manufactures under heavy protective tariffs, there is little reason to regret our position, and none at all to attribute our lower rate of wages, as compared with America, to Free Trade. In these two countries the social wants and condition of the people are nearly identical. If the people chose to go back to the time of leather breeches and coarse fustians, and were content to live in rude huts without window panes, their wages would be small, but they would be earned with a much simpler trade organisation. In the United States, and in the United Kingdom, the social demands are high, and so are wages. The increase of average wages for mechanics in the former country between 1850 and 1886 is stated to be 9s. weekly; while in the United Kingdom it has been 8s. 5d. As the necessaries of life are not taxed in this country, the purchasing power of the lower sum makes our increase the greatest. Between this period Mr. Atkinson has shown that the common labourers can buy 66 per cent., factory operatives 78 per cent., and skilled mechanics 90 per cent. more of the necessaries of life with a single day's wage. The Bureau of Labour gives the average weekly wage of the American mechanic at 43s. 4d., as compared with 29s. 10d. for the English mechanic. In both countries food can be obtained for the year by the same effort—viz., 113 days for the British workman, and 114 days for the American. In this respect both are in a better position than workers on the Continent, as it requires the wages of 120 days in France, 133 in Belgium, and 150 in Germany to obtain food for the family. If working-men are good at their craft, there is no doubt that high wages mean cheap things and low wages mean dear things. If it were not so, how could it happen that with wages 84 per cent. higher in England than the average for the whole of the Continent, the general cost of production in this country is at least 30 per cent. less? If this were not so, England would cease to be the great trading nation of the world. The explanation of this is, that the use of steam machinery in this country is 117 per cent. greater than on the Continent. If we are to continue this prosperity it must be by raising the amount of the labour of quality, which can only be done by giving to workers a trained intelligence in regard to their work.

In the observations which have preceded I desired to convince you that the continued depression of fifteen years has nothing whatever to do with our Free Trade policy. The real cause may be summed up in a single sentence—that the world has not yet accommodated itself to the wonderful changes which science has produced in the modes of production and in the exchanges of commerce. If you accept this conclusion, I have little to say in regard to Free Trade, the principles of which you understand as well as I do. England, for the last fifteen years, has had her share, but not more than her share, in the depression produced by this transition of trade. Her unemployed have been fewer, and her labour disturbances or strikes much less frequent and acute than in the United States with its policy of Protection. The reason for the difference is that our Free Trade policy leads to a large export trade, which carries off the surplus of manufactures; while the Protective policy of the United States limits her exports to a great extent to food stuffs, and prevents her manufactures meeting us in the markets of the world. Notwithstanding this fact, the United States is really a great manufacturing nation, with a population industrious, educated, and inventive; but her fiscal policy cramps her development. She tries to compete with us in foreign markets, though with small results. In China, English imports amount to 28 per cent. of its total imports; those of the United States to 4 per cent. To South American States we send from 28 to 39 per cent. of their imports; while the United States sends only 7 per cent. Even to Japan, though geographically so well placed on the Pacific, the United States sends 7 per cent. and England 43 per cent. of the imports. The tariff wall is so high in the United States, that their own exporters get over it with difficulty; while, in spite of its height, our merchants send into that country nine times more manufactured goods than she sends to us, although our ports are free. The prosperity of the United States consists in her immense territory, with its rapidly increasing population, which has jealously preserved internal free trade throughout all her thirty-eight States, though she shuts out external trade by high protective duties. The absurdity of this system in America is its assertion of the principle that scarcity is better than abundance in its dealings with foreign States. The wealth of nations as well as of individuals is described in the Proverbs:—"There is that scattereth and yet increaseth; and there is that withholdeth more than is meet, but it tendeth to poverty." In one sense I am sorry to say the people on the other side of the Atlantic are coming to our view of Free Trade more rapidly than is for the interest of England. Let me quote from the speech of Mr. Hurd at the Free Trade Congress in Chicago:—"You ask the reason that so many workmen are out of employment. Why, because our mills are idle from there being no demand, and this absence of a demand results from the so-called over-production, which is only another term for 'no export markets,' caused by the absence of foreign trade, which the selfishness of protected manufacturers prevent." One more quotation only, and it is from the late Secretary Manning, of the Treasury at Washington. He is still more pithy:—"While our tariff incumbers with clumsy help a few thousand employers, it has trodden down the millions of wage-earners." The whole truth lies in this, that the policy of the United States retains the market for its own 60,000,000 of people, and loses the markets for the world's population of 1,400,000,000. Some of her industries, like those of cotton and wool, are already producing a surplus which the home market cannot absorb. They will soon pass to the side of Free Trade. Let us get ready for the fierce competition which will follow when the scales fall from the eyes of our kinsmen on the other side of the Atlantic. You will readily comprehend from my argument in what manner we must prepare to keep our position in the increasing struggle of nations. We must give more of a trained intelligence to our producers, intelligence to the rank and file, high technical education to the officers of our industrial armies. What is technical education? It is simply the rationale of expert empiricism. We must convert, as much as we can do, labour of quantity into labour of quality. We now know with tolerable certainty the conditions which produce low wages, and those which produce high wages. Our interest as a nation is to aim at the latter. What class of labourers produce dear things? They are ignorant labourers with faint ambition, who are badly housed, badly clothed and fed, who have few pleasures of the mind, and who trust to the Poor Law to stand between them and starvation. These are the labourers who are content to work for low wages; but the product of their labour is low and its cost is high. What class of workmen produce cheap things? They are the working men of technical skill and trained intelligence who seek more education for themselves and children, because they know that it both dignifies and fructifies their labour. They are men who by combination have raised their position and shortened their hours of labour, so that they may enjoy some of the pleasures as well as take their share in the toil of the world. They hate the workhouse as much as they hate that kingdom over which the devil is supposed to reign. Their wages are high, but so is their productiveness, and consequently they give us our cheap things. They are the men who are the props of our industries. Though their wages are high, they are cheap at the price. Protection is not a force to raise wages. If it were they should be high on the Continent of Europe. The interest of a labourer is to sell his labour dear and to buy his commodities cheap. Protection enhances the price of the latter; but how can this benefit the labourer? Though the labourer does not gain by Protection, the monopolist does, and it is he who is encouraged and over-remunerated by high tariffs. England has abolished monopolies and refused to support privileged classes by taxation. She is a country small in area and limited in population, but great in productive energies. She is a world-wide trader, because her manufacturers can barter on advantageous terms with other nations which seek her free ports for the disposal of their commodities, and are forced to accept English goods in exchange. The industrial prosperity of England is as much due to commercial freedom as the social condition of her people is due to their political liberties.

> "For what avail the plough or sail,
> Or land, or life, if freedom fail."

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